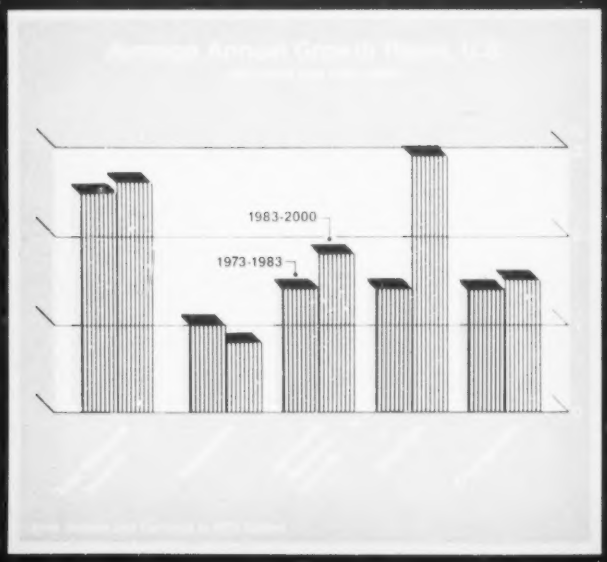
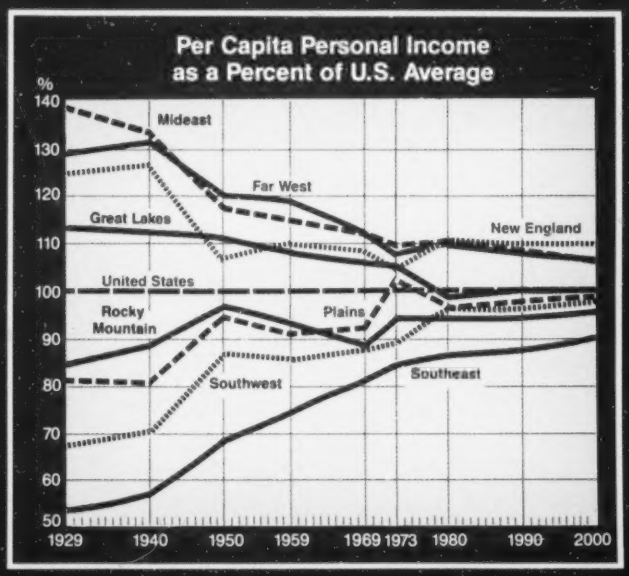
The Conference Board

U.S. Regional Projections to the Year 2000

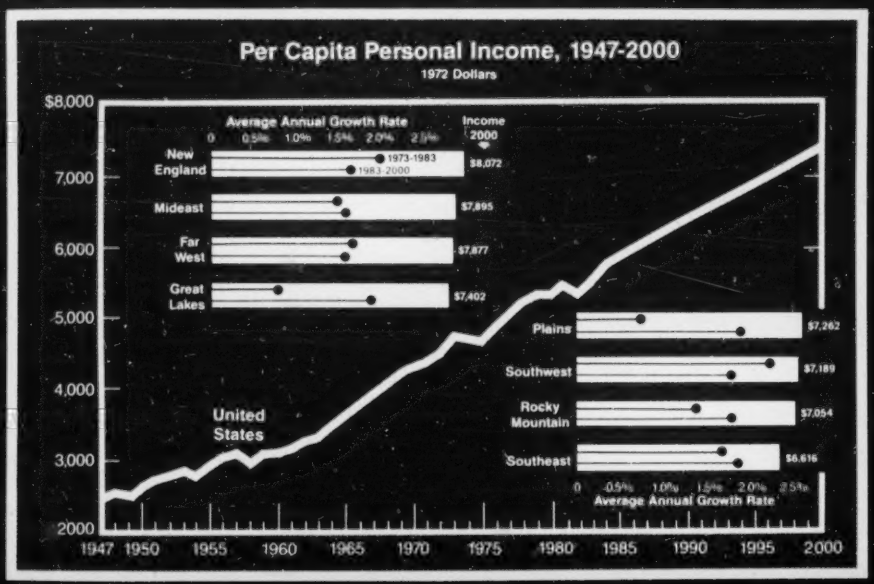
Economic Road Maps
Nos. 1999-2000 December, 1985

Economic differences between major regions of the U.S. have narrowed markedly over the past few decades, and are expected to converge further between now and the end of the century. But, as the chart below shows, regions where income levels were below the national average remain so, while regions that topped the national level continue above average. However, in spite of the regions' convergence, the differences among the 50 states are enormous; they vary in size, population, and more importantly, in their economic structure and income levels.



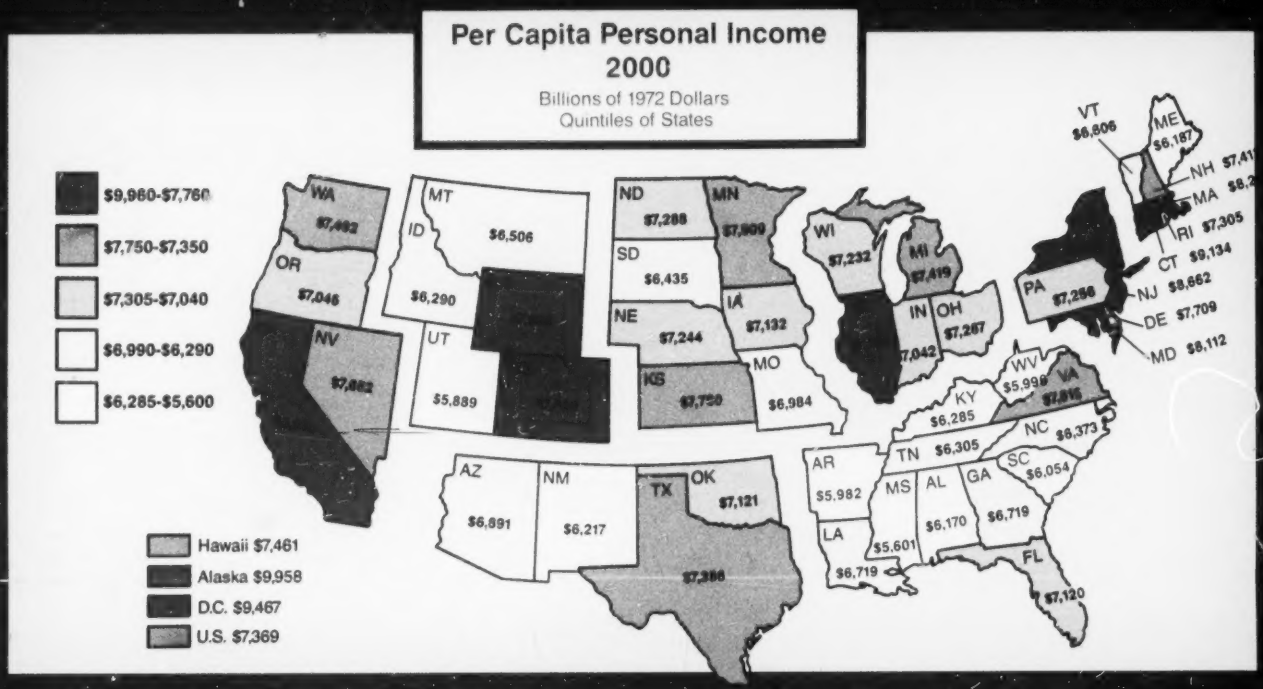


The latest regional and state projections of personal income, population, earnings and employment to the year 2000 released by the Bureau of Economic Analysis are based on data through 1983 and are predicated on an extension of past economic relationships with no major policy changes. These projections are not goals for future economic activity, but serve only as a general guideline, and should therefore be used with some degree of caution.



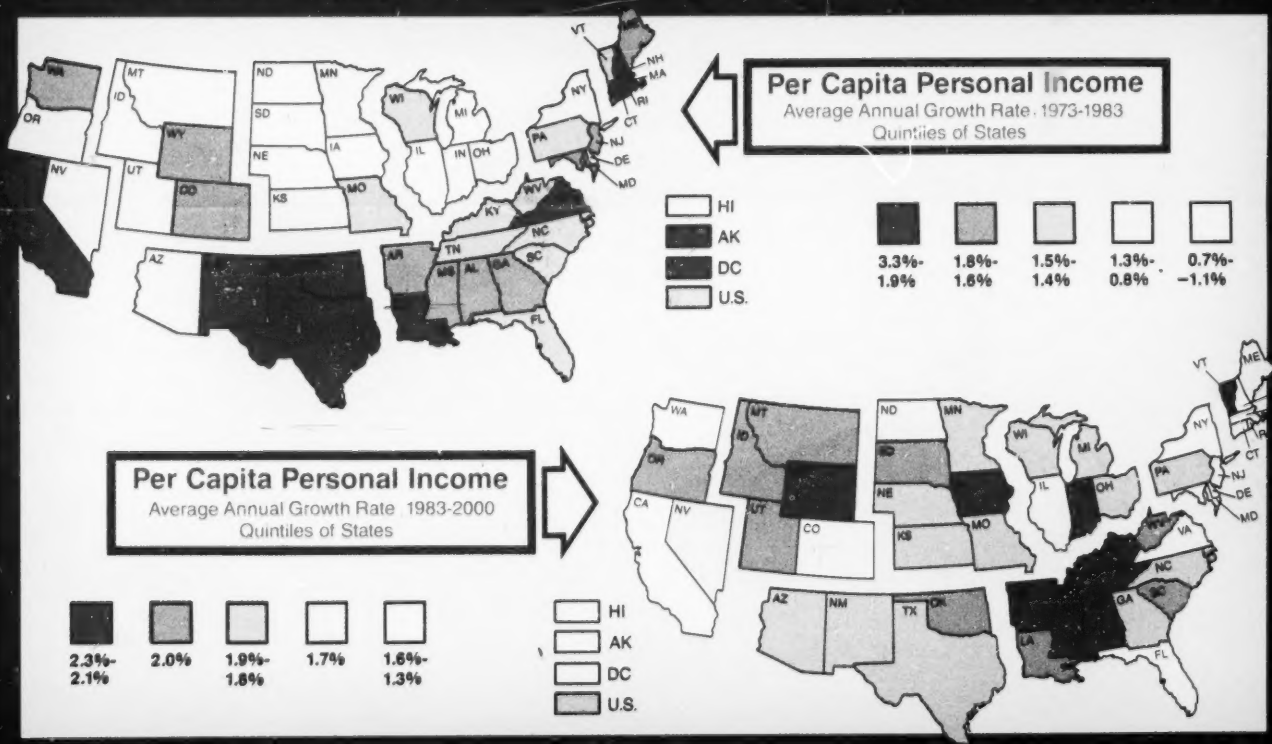
Highlights of the Study Show:

- A continuing convergence of per capita personal income to the national average. Per capita income



represents a rough measure of living standard, thus its importance.

- A slowdown in population growth rate from 1% during 1973-83, to 0.8% in 1983-2000. At the same time, the shift of population to the South and West is expected to continue; these regions should account for 54% of total population in 2000, 8% more than in 1973.
- Growth of total personal income will be almost unchanged—2.6% annually to the year 2000. Its growth will be fueled mostly by large gains in earnings, which are expected to grow at twice the rate of the past period.
- High income states will, as in the past, be mainly concentrated in the eastern and western part of the country in 2000; but the states in the South and Rocky Mountain together with the Great Lakes and Plains regions will have the fastest per capita income growth between 1983-2000.
- Shifts in employment structure will continue. A sustained weakness in manufacturing employment will be offset by growth in the service sector. The impact of loss of manufacturing jobs has been exceptionally heavy in the old industrial states, including Illinois, Michigan, Ohio and Pennsylvania—which saw over 20% of their manufacturing employment dis-

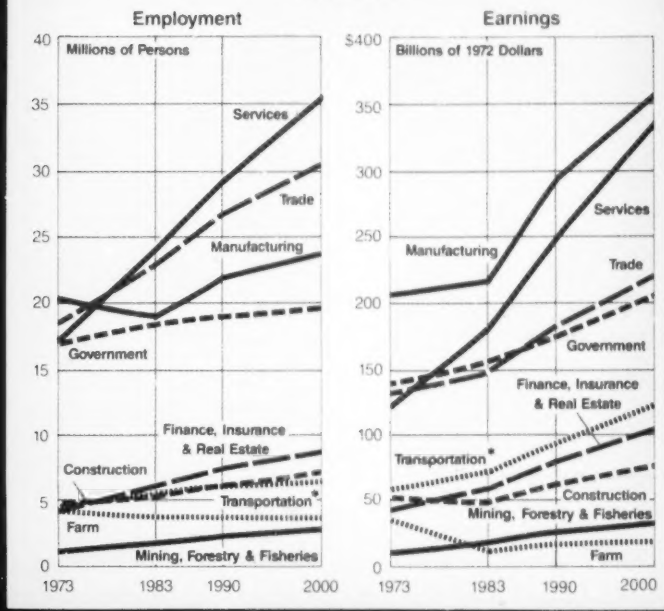


appear during a ten-year period. In many cases employment in this sector is not expected to recover to its 1970's level by the end of the century.

- Deep-rooted problems facing the farm sector are not expected to abate in the short run, and will result in further decline in employment in this sector.
- In spite of the generally sluggish growth in manufacturing jobs, the sector will continue to generate more in earnings than other industries, but by the end of the century, earnings in services will be almost comparable in size to those of manufacturing.
- Manufacturing of durables is one segment of the industry expected to do well in the years to come as the nation's defense industry continues to build up. It will constitute the fastest growing segment of the economy in terms of both employment and earnings in a number of states between now and 2000.

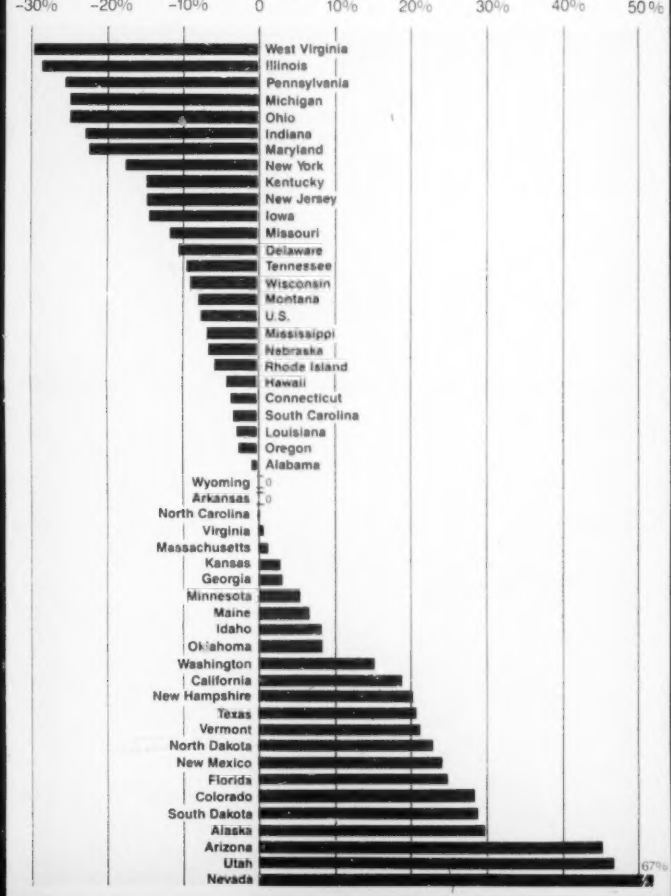
Sources: U.S. Department of Commerce, Bureau of Economic Analysis; The Conference Board.

Employment and Earnings, U.S. 1973-2000

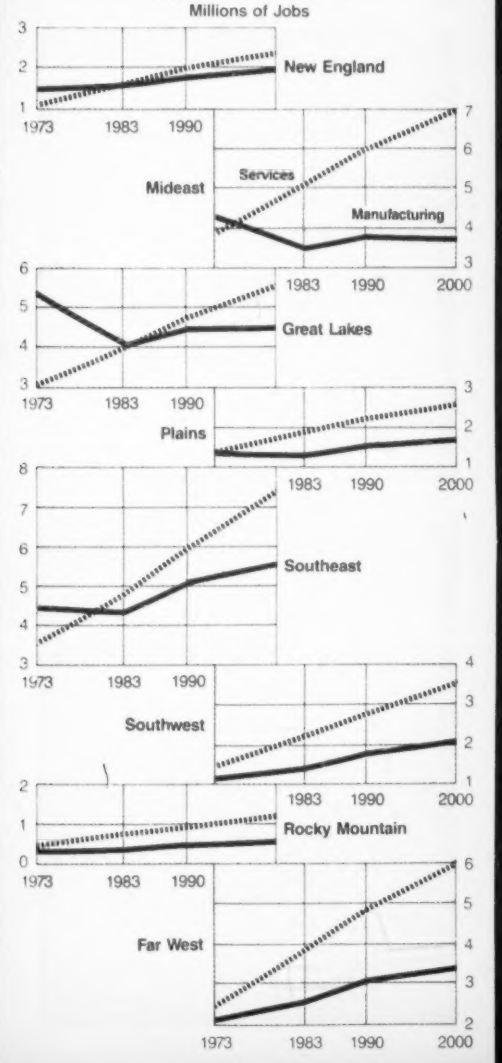


* Includes Communication & Public Utilities

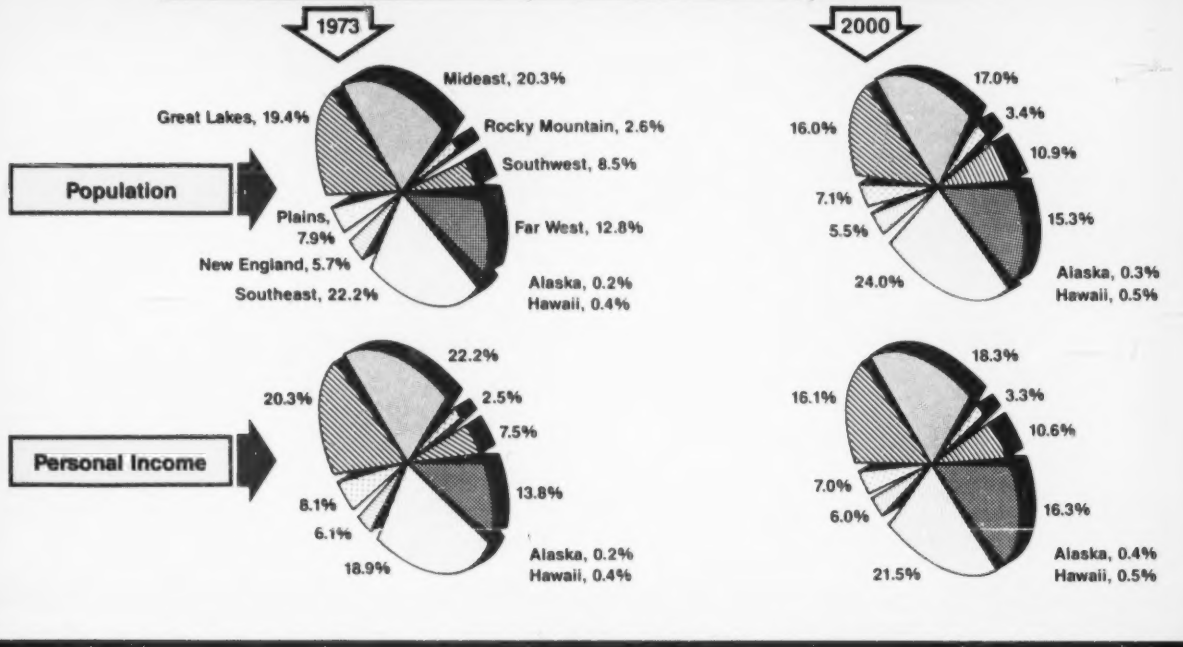
Percent Change in Manufacturing Employment 1973-1983

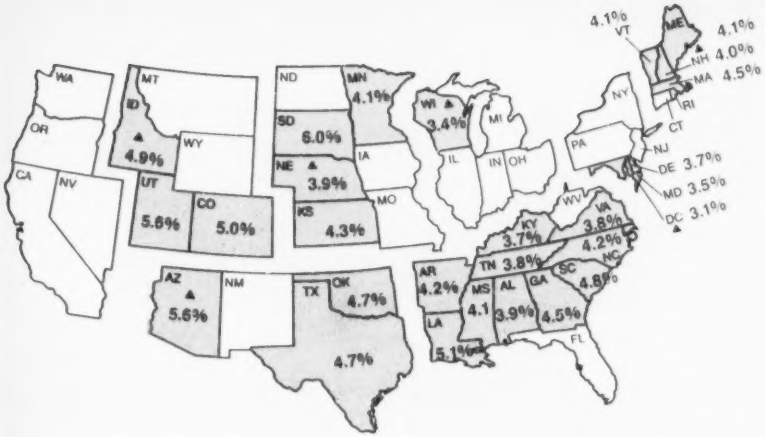


Manufacturing & Service Employment Regions, 1973-2000



Distribution of Population and Personal Income By Region

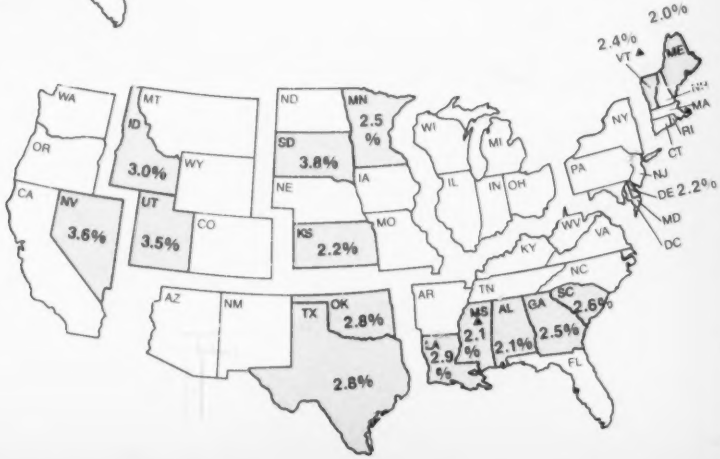




Growth of Durables Manufacturing Industry 1983-2000

Earnings

Growth Rates in Durables Manufacturing will top all other sectors in 27 states.*



Employment

Growth Rates in Durables Manufacturing will top all other sectors in 15 states.*

* Excluding Mining, Forestry & Fisheries
▲ Additional sectors have equal growth rates.

The Conference Board

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A Half Century of Change: 50 Years of Economic Road Maps

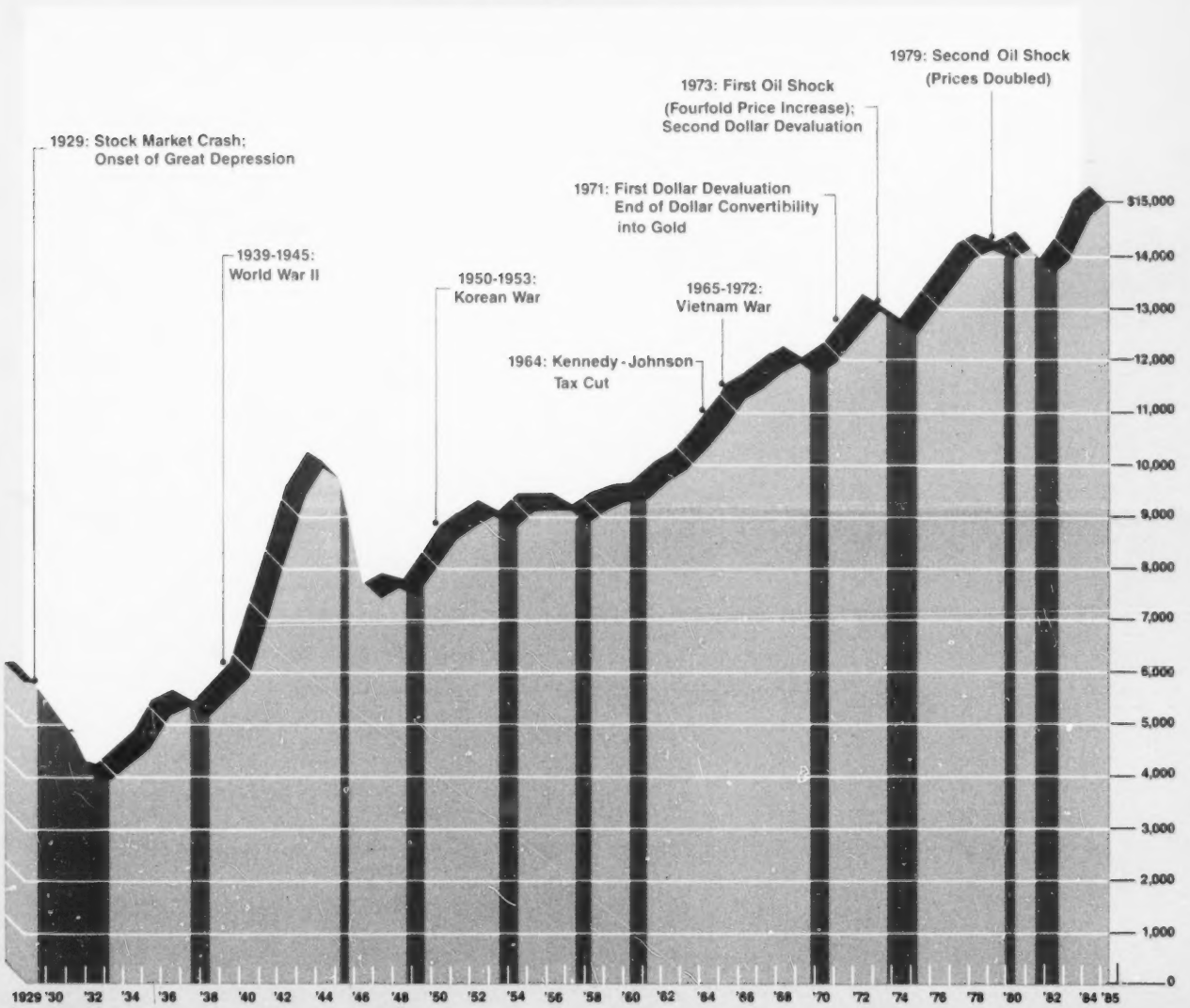
Economic Road Maps
Nos. 2001-2002 March 1986

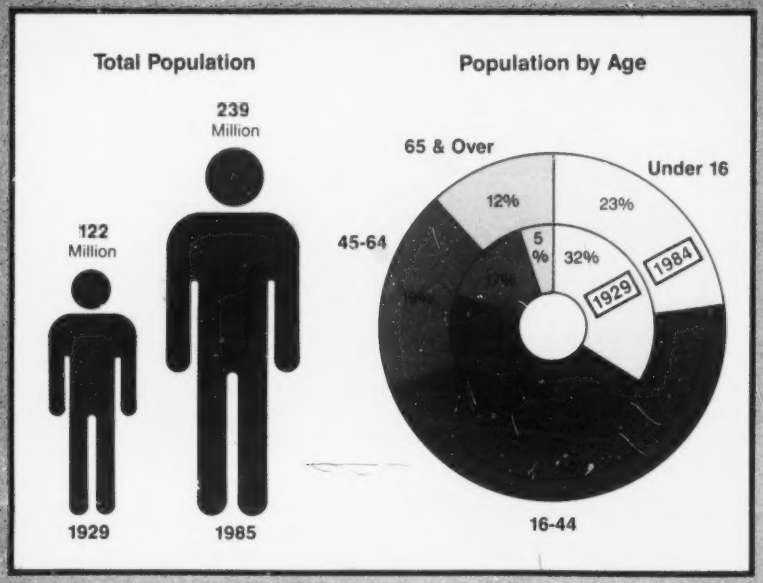
This year marks the fiftieth anniversary of the Economic Road Maps, the longest continuous as well as the most widely distributed publication of The Conference Board. During this period the circulation of the Road Maps expanded from 1,600 to over 40,000. In this anniversary issue we have highlighted a few of the socioeconomic changes of the period. We plan to publish additional anniversary issues on other topics during the course of the year.

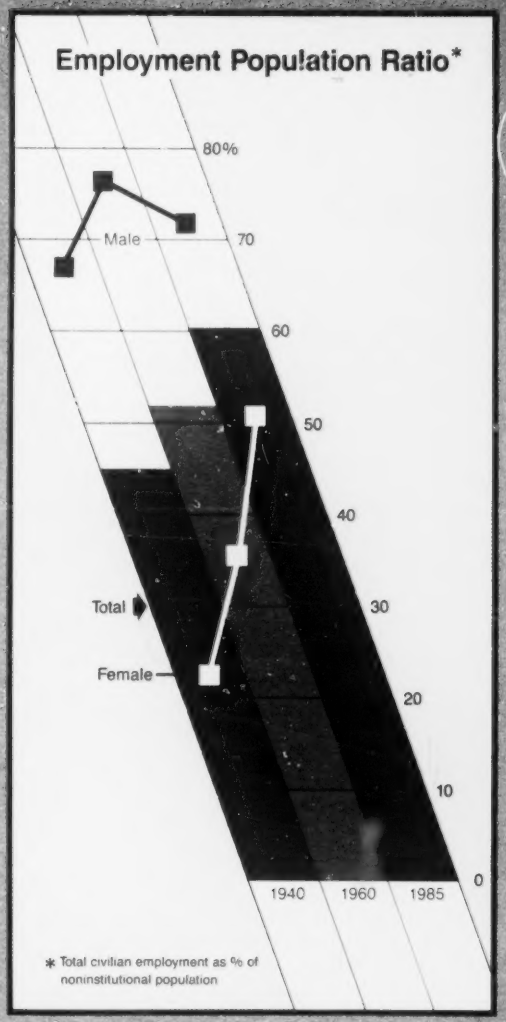
We can only repeat with Dickens: "It was the best of times, it was the worst of times." When the first Road Map was published the country was in the midst of the Great Depression. During the intervening 50 years, it lived through a world war, witnessed advances in science and technology surpassing those of all prior recorded history, and from an inward-looking nation preoccupied with its own problems emerged as the greatest political and economic power of the Western world.

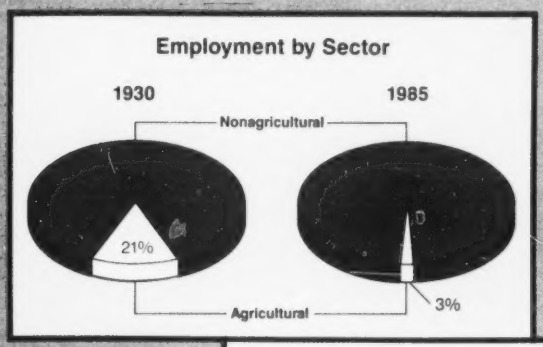
U.S. Economic Growth

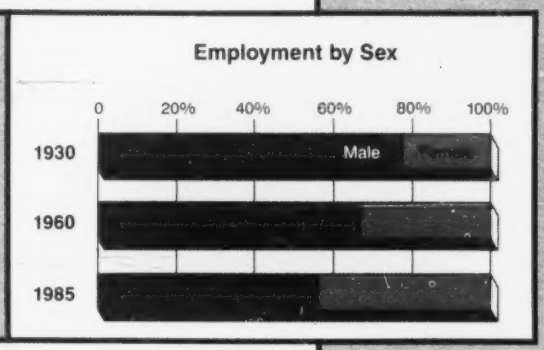
Real GNP Per Capita in 1982 Dollars

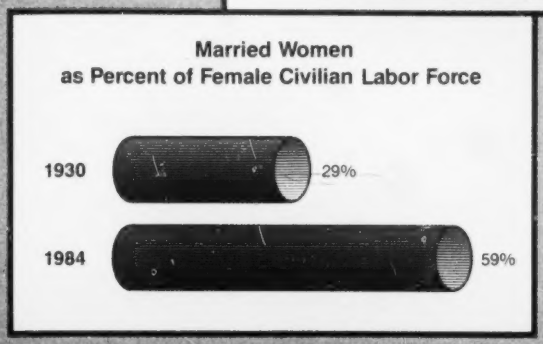


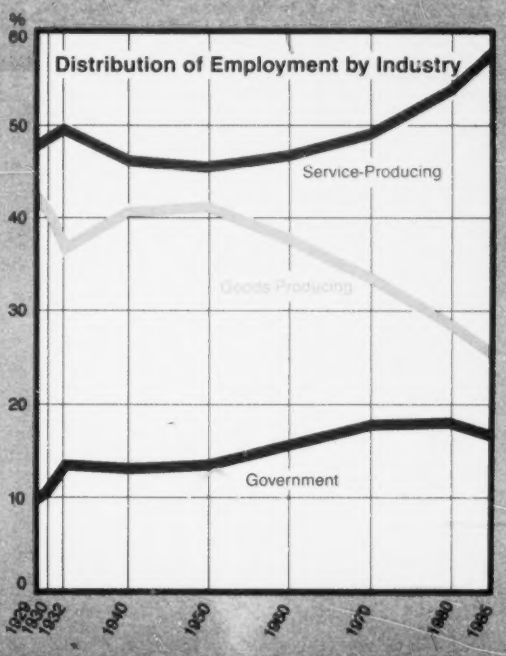

Total Population
239
Million
122
Million
1929
1985
Population by Age
65 & Over
12%
Under 16
23%
45-64
5
%
32%
1984
1929
16-44

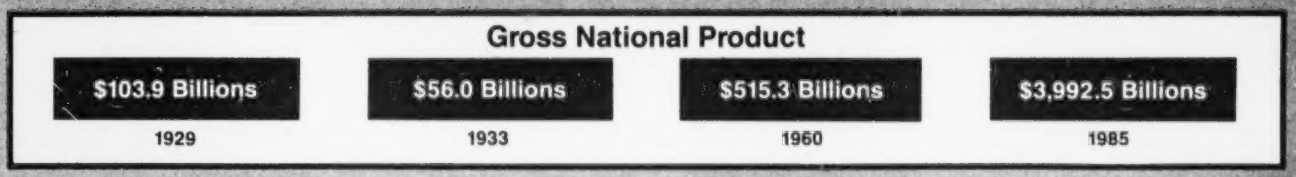

Employment Population Ratio*
80%
70
60
50
40
30
20
10
0
Male
Total
Female
1940
1960
1985
* Total civilian employment as % of noninstitutional population

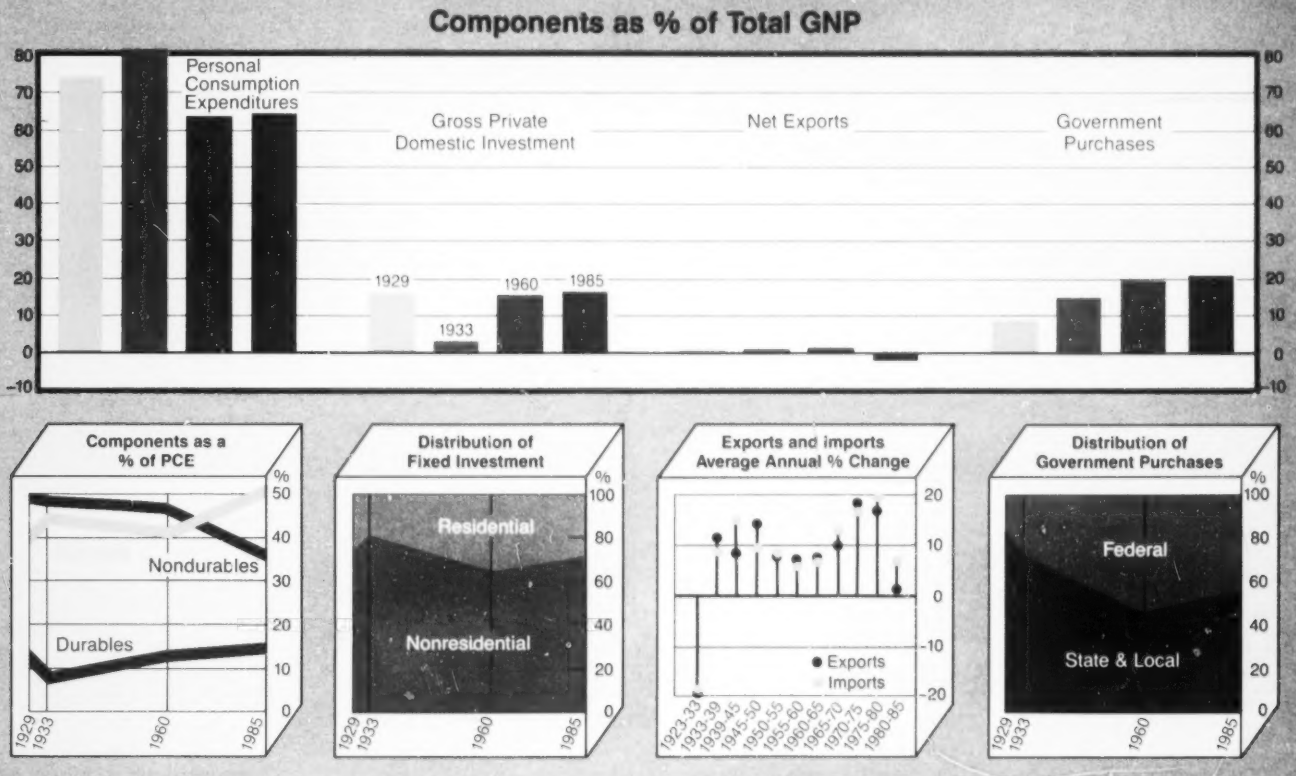

Employment by Sector
1930
1985
Nonagricultural
21%
3%
Agricultural


Employment by Sex
0
20%
40%
60%
80%
100%
1930
Male
1960
1985

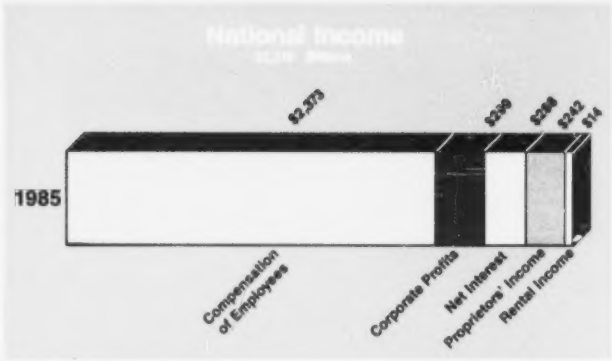

Married Women
as Percent of Female Civilian Labor Force
1930
29%
1984
59%

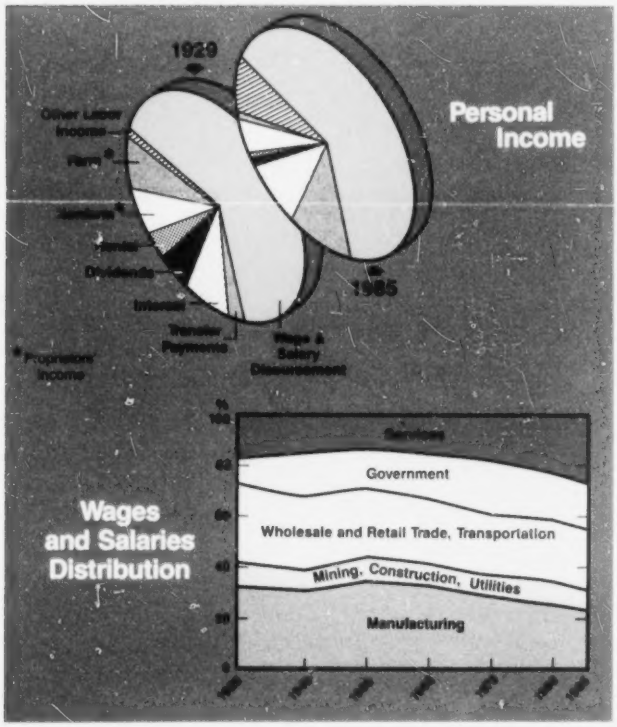

%
60
50
40
30
20
10
0
Distribution of Employment by Industry
Service-Producing
Goods Producing
Government
1929
1930
1932
1940
1950
1960
1970
1980
1985

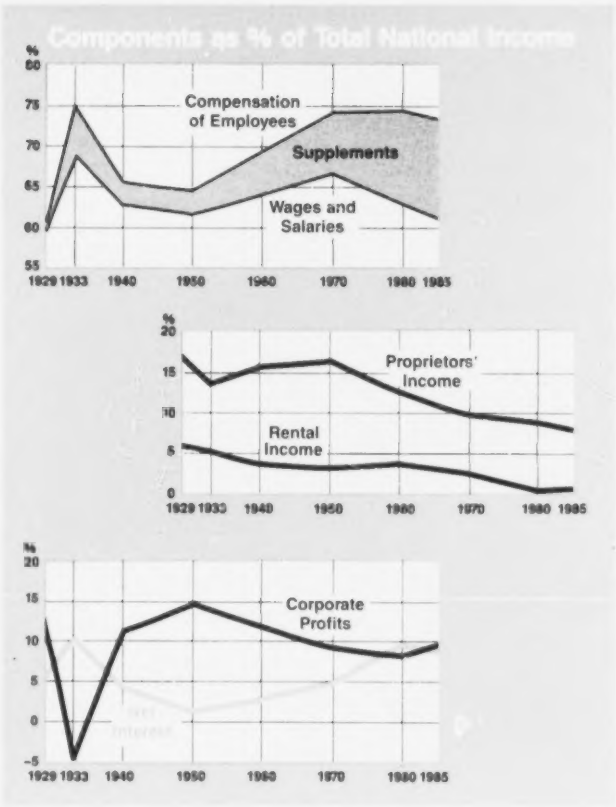




Today, however, it is facing new challenges not only from the highly industrialized countries, but from many of the newly developing nations of the third world as well. The standard of living of todays generation has surpassed the wildest dreams of those growing up during the dark days of the depression. The economic output for each man, woman and child was $15,000 in 1985 (measured in constant 1982 dollars), three times the figure of 50 years ago. The post World War II years were marked by an unprecedented long period of economic expansion; there were also problems along the way such as spiraling inflation starting in the late 1960s, high unemployment levels in the early 1980s, the energy crisis, volatile exchange rates, and a slowdown in productivity growth.

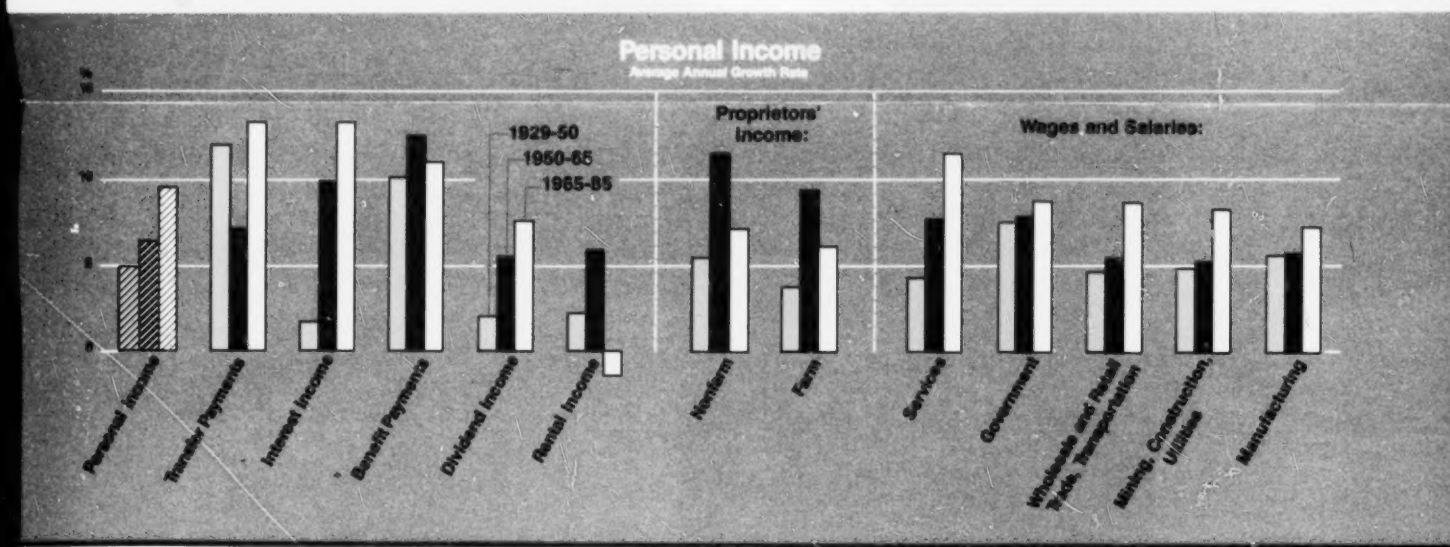






The government's role in the economy grew considerably—its share of GNP went from 8% to 20 percent. The country's rising affluence was matched by concern for the social welfare of its population. Antipoverty programs and retirement benefits for the aged were made possible by redistribution of the nation's wealth; transfer payments in 1985 accounted for 15% of personal income.

Sources: Council of Economic Advisers; U.S. Departments of Commerce and Labor; The Conference Board.



ECONOMIC ROAD MAPS

Eva Culen, Editor Chuck N. Tow, Chief Chartist
Prices for Quantities of this chart will be supplied on request to Information Service.

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